

SENATOR BEUTLER: That is right.

SENATOR CULLAN: But you are not requiring that they be eligible for equalization aid. My point is that there are many, many school districts in the State of Nebraska, very many, that do not qualify for equalization aid because of high levels of...high numbers of free high students who are very poor districts with some of the highest mill levies in the State of Nebraska, and I would not think that qualifying for equalization aid necessarily would be...

SENATOR BEUTLER: No, it is not qualifying for equalization, it is applying the mill levy requirement.

SENATOR CULLAN: Could you explain that mill levy requirement in a little more detail? It slips my mind somewhat.

SENATOR BEUTLER: Sure. 79-1335 says to be eligible for aid, some certain kinds of aid, this is the general equalization statute, the districts shall have levied in the manner prescribed by law tax on the valuation of all taxable property within the district for the preceding year except intangible property as follows: For Class I districts not less than eight mills, and commencing January 1, 1981 not less than 28¢, the word "twenty-eight cents"; and then for II, III, and IV districts and V districts, forty-two cents; Class VI districts not less than twenty-eight cents.

SENATOR CULLAN: Okay, thank you, Senator Beutler. I just wanted to clarify what you are doing. Thank you.

PRESIDENT: The Chair recognizes Senator Kahle.

SENATOR KAHLE: Well, Mr. President and members, this...I have not really had time to digest this new amendment but it looks to me like you are penalizing the frugal school districts again and I wonder how the 7% lid fits into this. It doesn't make much difference what your taxable value is or what your possibilities are, you cannot increase more than 7% no matter what your value is. So I don't know how you ascertain what level you are talking about here, and he was asked whether he used the equalization formula that we have now and I guess the answer was no. Senator Beutler, could you enlighten me a bit on how we are going to be able to make this equal across the state if you just take the taxable value.

SENATOR BEUTLER: Sorry, Senator Kahle, I don't understand your question.